November 18, 2008 Popularity of pellet stoves drives delivery-system innovation

Sales of pellet stoves continue to sizzle. Through the first six months of 2008, shipments were up 135 percent over 2007, according to the Hearth, Patio & Barbecue Association.

As a result, in New England, where a majority of this country's estimated 800,000 operating pellet stoves have been sold, units are reportedly on back order into 2009. (To learn more about this equipment, read our buyer's guide to pellet- and wood-burning stoves.)

The pellets used in pellet stoves are often made from sawdust recovered from lumber mills, furniture factories, and flooring manufacturers. Pellets are also made from corn, wheat, sunflower seeds, and other biomass ingredients.

Whatever their raw material, pellets have traditionally been sold at home centers, supermarkets, and other retailers in 40- to 50-pound packages. When you consider that an average stove might burn through a couple pounds of pellets every hour during the winter months, loading all those bags into your car and unloading them at home can be a lot of work.

That's why more suppliers have started delivering pellets by the pallet directly to consumers. This shift cuts out the middleman and a lot of the lifting, though you still have to empty the pellets into your stove, which creates plastic debris and a good deal of dust.

Jon Strimling, founder of PelletSales.com in Goffstown, New Hampshire, has recognized the inefficiency of that system. "You wouldn't pour a bucket of oil into your furnace each time you wanted to turn it on," he says. "So why should you have to do it with pellets?"

PelletSales.com has developed a bulk-delivery system in which pellets are shunted from a truck to a large hopper on your property, say in the garage or garden shed. Once the necessary transfer equipment is installed between the stove and hopper, you can in theory fill your stove with the flick a switch. Note that you'll still need to empty the ash by hand every week or so, according to the Pellet Fuels Institute. Premium pellets produce about 1 percent of their weight as ash; standard pellets, about 2 to 4 percent ash.

Besides eliminating the pellet-hauling hassle, the delivery system could also generate savings, since 10 to 15 percent of the cost of pellets goes to packaging, according to Strimling. That should help offset the initial cost of the storage bin and transfer equipment, which can run \$1,000 to \$5,000. No small chunk of change, sure, especially for a piece of equipment that's essentially a large space heater. If you want a pellet stove but don't have the means or the desire to deal with a hundred 40-pound bags each year, Strimling's bulk-delivery program might be the answer.

The program is still at the pilot stage, but Strimling hopes to have it up and running in time for the 2009-2010 heating season.—Daniel DiClerico

Essential information: As part of some new federal legislation that covers a wide range of energy incentives, you are entitled to a \$300 tax deduction if you purchase a pellet stove after January 1, 2009.